Crisis in SAIL due to Economic Liberalisation

2381. SHRI RAMDAS AGARWAL: Will the Minister of STEEL be pleased to state:

(a) whether SAIL as a whole or any of its units are facing threat or crisis as a result of high competition and economic liberalisation,

(b) if so, the details thereof, unit-wise; and

(c) the remedial steps proposed to be taken by Government to overcome the problem?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) No, Si?.

(b) and (c) Do not arise in view of (a) above.

Revival of IISCO

2382. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of STEEL be pleased to state:

(a) the revival status of IISCO;

(b) the constraints in finalising the revival package; and

(c) the financial result of IISCO during 1994-95, 1995-96 and 1996-97 (provisional)?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) and (b) Indian Iron & Steel Co. Ltd. (IISCO) was referred to BIFR in June, 1994. In August, 1996, SAIL had invited offeis for participation in the revival modernisation of IISCO through a joint venture arangement with SAIL retaining majority share-holding of 51% in the joint venture company. SAIL had received offers from two parties viz. Ms. Tyazhpromexport (TPE) of Russia and M/s. Mitsui of Japan. Ms. Mitsui have since indicated their unwillingness for equity participation which is an essential requirement for selection of a Joint Venture Partner. Consequently at present there is only one offer available for revival of IISCO. Ms. TPE have since informed SAIL that they require extension of three months time for submission of their Revival Plan. Consequently, SAIL have sought extension of time for a further period of 4 months from the BIFR.

As IISCO has been referrred to the BIFR, any scheme to be taken up for modernisation will have to be in accordance with the orders of the BIFR in this regard.

(c) The financial results of IISCO during 1994-95 and 1995-96 are as follows:

Year	Loss (Rs/Crores)
1994-95	6.27
1995-96	49.05

Finacial results for 1996-97 will be known only after the close of the year.

Production Cost of Iron Ore and Limestone

2383. SHRI GAYA SINGH: Will the Minister of STEEL be pleased to state:

(a) the production cost per tonne for iron ore and limsetone produced by the different mines under Raw Material Division (RMD) of SAIL;

(b) whether there is a difference of production cost in mines under RMD, SAIL; and

(c) if so, the reason of this difference of prodcution cost and details thereof?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) The produciioii cost per tonne including Royalty of Iron ore and Limestone produced by the different mines under Raw